

Where Benefits Demand is Heading Among Employees

By Gil Lowerre, president, Eastbridge Group



Brokers selling voluntary benefits need to be sure their portfolio is broad enough to satisfy the growing appetite employees have for voluntary products.

Employees are increasingly interested in voluntary products and are expanding their definition of the needs they believe volun-

tary products can help fill.

The two charts below show the top benefit products currently being offered by brokers, and the top benefits being requested by employees.

Product	Percentage Listing in Top 5		
	Worksite Focused	Cross-Sellers	Total Solutions
Term life insurance	52%	74%	66%
Short-term disability insurance	79%	70%	65%
Long-term disability insurance	55%	62%	62%
Dental insurance	35%	52%	58%
Long-term care insurance	33%	42%	44%
Universal or whole life insurance	62%	27%	28%
Critical illness insurance	55%	25%	24%

As you will see, there is some disparity in what employees say they want and the top offerings from brokers.

Worksite-Focused brokers lead with voluntary products while Cross-Sellers lead with employer-paid coverages, but look for opportunities to cross-sell voluntary. Total Solutions brokers sell both as a part of an overall portfolio, focusing on meeting needs regardless of whether the solution is voluntary or not. When asked to name their top five voluntary products, there is surprising agreement among different types of producers. Interestingly, all brokers agree on

Interest in Buying

(Those who currently don't own any voluntary products)

Product	Percent Interested
Dental	26.8%
Vision	22.8%
Prescription Drug	19.4%
Universal Life	16.5%
Long-Term Care	15.8%
Homeowner/Renters'	14.9%
Auto	14.6%
Mutual Funds	13.5%
Long-Term Disability	13.4%
Term Life	13.2%

the key role of voluntary term, VSTD and VLTD in their portfolios (although the rankings diverge after that point).

The first chart shows the percentage of brokers selecting various voluntary products as among their top five offerings. The data is then broken down by their self-described approach to voluntary.

This unanimity breeds complacency and a danger that some brokers may not stay tuned into the rapidly changing needs of employees because of past and common ways of doing business.

The second chart shows the percentage of employees who expressed interest in purchasing a voluntary solution in each product category.

Clearly, employees are seeing a wider role for voluntary products and brokers need to be prepared by broadening their portfolio and helping educate their employer-clients about these changing perceptions and interests. **BBS**

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